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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Ex Parte

Magalie Roman Salas
Secretary
Federal Communications Commission
Room TWB-204
445 Twelfth Street, SW
Washington DC, 20554

Re: Ex Parte Presentation. CC Docket Nos. 98-147, 96-98

Dear Ms. Salas:

On Friday, March 9, 2001, Richard Whitt, Mark Schneider of Jenner & Block, and the undersigned of WorldCom, Inc. met with William Kehoe, Kimberly Cook, Alexis Johns, Shanti Gupta, Jerry Stanshine, and Brent Olson. The purpose of the meeting was to express WorldCom's views on collocation and the appropriate scope of the term "necessary," and its applicability to cross-connects and multi-functional equipment. The attached presentation was provided during the meeting, and an electronic copy was provided to Jerry Stanshine and William Kehoe.

Any questions regarding the above can be addressed to the undersigned.

Respectfully submitted,

Cristin L. Flynn
Associate Policy Counsel
Internet/Data Law & Policy Group
WorldCom, Inc.
(202)736-6450

Enclosure

cc: William Kehoe
Brent Olson
Shanti Gupta
Jerry Stanshine
Alexis Johns
Kimberly Cook

Collocation Necessary Cross-connects and Multi-functional Equipment

March 9, 2001

CC Docket Nos. 96-98, 98-147



Collocation itself is not at issue

- Court does not suggest 251(c)(6) or collocation itself is unlawful
- FCC seeks comment on
 - appropriate definitions of “necessary” and “physical collocation”
 - the types and scope of multi-functional equipment CLECs wish to collocate, and how such equipment is “necessary”
 - the reason cross-connects are “necessary” between collocators for the purpose of accessing or interconnecting with unbundled network elements

Competitive context is key

- DSL capability is the only means to provide broadband Internet access to consumers over the local telephone loop
- ILECs are committing vast resources to DSL buildout
 - SBC's Project Pronto
 - BellSouth's deployment of DLC
- Competitors need the ability to compete on a facilities basis with ILEC offerings
- Collocation of “necessary” equipment enables facilities-based competition

“Necessary” means...

- Court stated that “necessary” has to mean more than just “used or useful”
- In WorldCom’s view:
 - Physical collocation of equipment is necessary if the inability to use such equipment would seriously impair or obstruct a CLEC’s ability to compete on a facilities basis with the ILEC for customers in any geographic area, giving the ILECs an unreasonable competitive advantage
 - The non-discrimination dictates of section 251(c)(6) support this view
- FCC must determine whether cross-connects and multi-functional equipment are “necessary.”

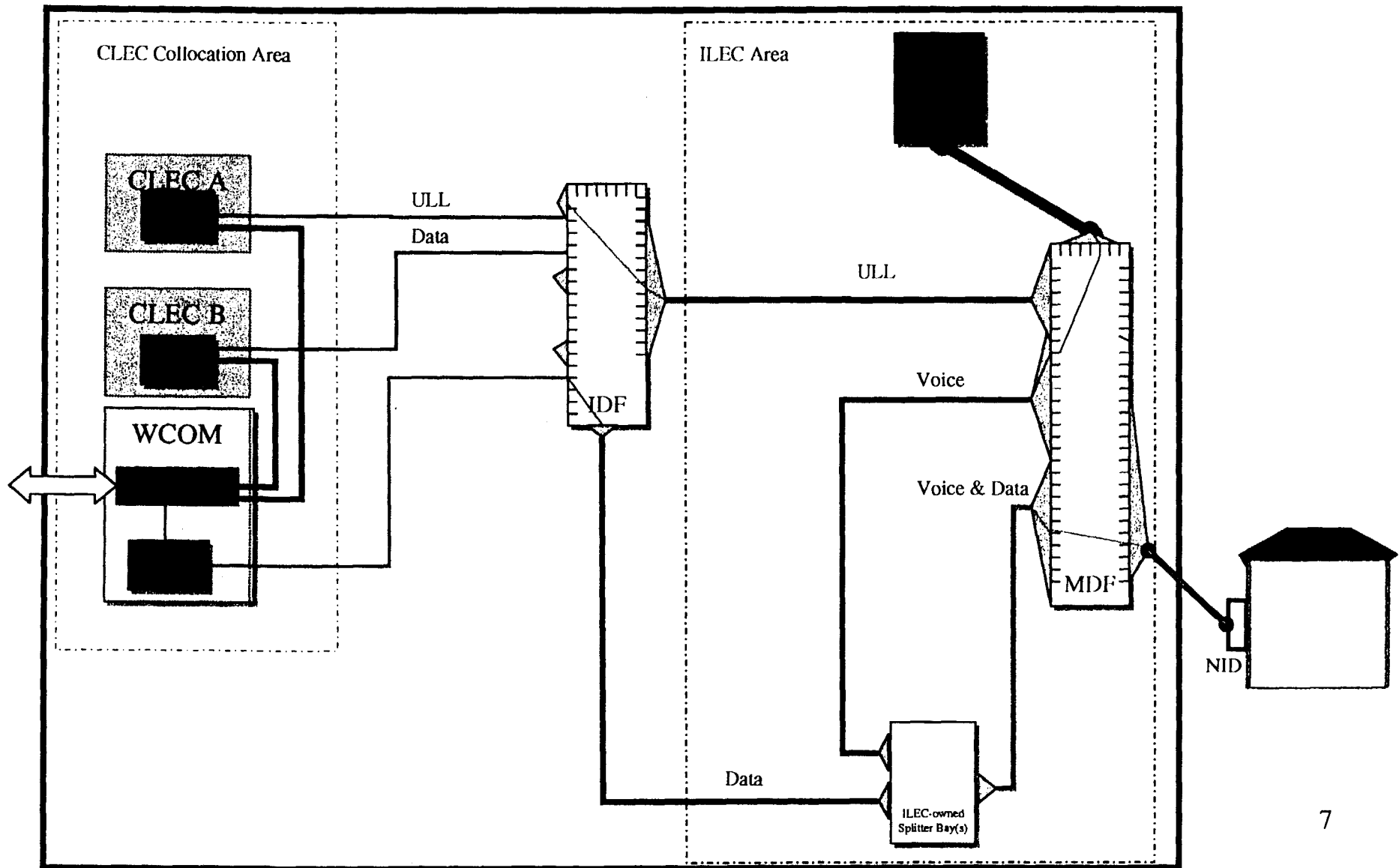
“Necessary” means... (con’t)

- ILEC commenters provided similar definitions of “necessary”:
 - Qwest (supporting Cisco’s definition) defined necessary as “effectuate[ing] interconnection or access to unbundled network elements . . . and could not be performed offsite as a practical economic, or operational matter.”
 - Verizon has adopted the “economically necessary” standard for CLEC collocation
- Interconnection between CLECs must be equal in quality to interconnection with the ILEC, providing access to the full features and functionalities of unbundled network elements

Cross-connects are necessary

- The ILEC should be obliged to provide direct interconnection between
 - Two or more facilities-based collocators
 - UNE-P based CLEC and facilities-based CLEC
- Without direct connections between CLEC cages:
 - CLECs are forced to exchange traffic outside ILEC facility
 - Loop length and number of handoffs are increased, which leads to increased points of failure, length of time on ILEC network, and costs to CLECs
 - CLECs lose the ability to effectively manage routing of customer's traffic onto its network and monitor latency and packet loss
 - Ordering, provisioning, repair and monitoring of intermediary systems create additional sources for problems₆
 - ILECs face no similar hurdles

CLEC Collocation/Interconnection -Tie Cables



Multi-functional Equipment is necessary

- Single-function equipment increasingly is obsolete, costly, and space-consuming.
- It is discriminatory to require CLECs to disengage functionalities on new equipment
 - Qwest argues such a requirement would be “unjust and unreasonable” and that new equipment has same footprint, less power demands, and significantly increased functionality
 - ILECs use and rely on multifunctional equipment

Multifunctional Equipment defines the type and quality of services CLECs can offer

- CLECs need to collocate their own routers and concentrators (e.g., MUX-es, ATM Routers, DSLAMs (ATM multiplexers), routers, M13, digital cross-connects, SONET equipment)
 - Routers and concentrators permit CLECs to engineer how traffic is concentrated to reach and interface with their own networks
 - Access to this equipment preserves and increases the quality and types of services offered to customers
 - ILECs rely on the same types of equipment to provide services to customers
- New entrants, like ILECs, need to control engineering of their network from end to end

DSLAMs are necessary

- DSLAMs are an essential part of the concentrating equipment that enables CLECs to effectively manage traffic on CLEC networks
 - DSLAM aggregates ADSL lines into one ATM line that sends traffic to the Internet at speeds up to 1Gps
 - DSLAMs allow access to the full functionality of the copper loop
 - CLECs need to be able to provision bandwidth, monitor packet loss and latency, and provide quality of service
- For collocation purposes, in DLC environments, CLECs should be permitted to self-supply the required line cards with DSLAM functionalities incorporated
 - At a minimum, the Commission should compel ILECs to make DSLAMs available at central offices and RTs